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To: Ringmore Parish Council

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Internal Audit Report 2021/2022 for Ringmore Parish Council

All Councils are required to implement an annual independent Internal Audit examination of its accounts, accounting processes and internal controls. The aim of this is to ascertain whether the systems of financial and other internal controls, over its activities and operating procedures, are effective. A sample system has been used, as felt appropriate for the size of the Council, to test these processes.

This report details the results of the audit which has been carried out in accordance with the requirements of the Governance and Accountability Practitioners Guide. The report may contain recommendations for Council consideration.

Standard Documentation

- The Council has tested internal control systems regularly.
- Financial Regulations, Standing Orders and a Code of Conduct are in place.
- The Transparency Code for smaller authorities is applicable and a website is in place which holds all the relevant information to comply with the Code.
- A Website Accessibility Statement is in place.
- The Royal mourning period has been observed.
- The requirement to return to face to face meetings has been observed.
- Email addresses – it is now recommended that Councillors have bespoke Council email addresses, ideally ending in .gov.uk, for professionalism and in order to keep Council business separate. I recommend that this is considered.

Public Funds

- Payment controls are in place and the Council oversees all payments regularly.
- Purchase and payment documentation cross checked to the accounts was found to be in order.
- VAT requirements have been adhered to.
- Petty Cash – not held. Borrowing - none. Trusts - not applicable.
- The accounts appear to be in order with the correct receipts and payments method used along with the correct year end of 31st March.
- Section 137 has been recognised but not used in the financial year being audited.

Risk Management and Budget Control

- A Risk Management Policy and a Statement of Internal Control are in place. I recommend that both documents are reviewed annually.
- A general Insurance policy is in place which appears to be in order.
- A budget document has been produced to set the Precept which has been documented.
- A reserve funds listing is in place and appears to be in order.

- Meeting agendas are in order and Councillors have been 'summoned' to full meetings. The required 3 clear days' notice period has been observed.
- Meeting minutes are in order and decisions have been recorded appropriately.
- Annual membership of the Information Commissioners Office (ICO) has been confirmed.
- A General Data Protection Policy, Privacy Statement, Publication Scheme and Complaints Policy are all in place, representing good practice.
- There are no Committees in place.

Employment

- The new Clerk is the only employee and whilst the new appointment has been minuted, the hours and pay scale have not. As this would be expected I recommend that this is noted for future reference. I have not checked that a Contract of Employment is in place.
- PAYE/payroll is dealt with by SHDC and the documentation viewed appears to be in order.

Asset Control

- The Asset and Investment Register appears to be up to date and in order.

Banking and Bank Reconciliations

- Bank reconciliations have been produced and shared with the Council.
- Internet Banking is used and the minutes confirm that a robust process is in place to ensure that payments are checked for accuracy and signed for by authorised signatories, evidencing good practice.
- Authorised signatories are currently only at 2 and I recommend that this is increased to 4, minimum, as a matter of priority.

Year End

- Year end to 31st March 2021 – the Council opted to use the Certificate of Exemption process and the documentation appears to be in order and has been published, as required.
- Public Rights 2021 – the correct process has been used, the document is in order and has been published.
- Year end to 31st March 2022 – the Clerk is currently dealing with the documents and I recommend that all requirements and documentation are thoroughly checked by the Council, in support of the new Clerk, prior to signing and submission to the external auditor.

Summary

It is my opinion that proper practices have been followed and that the Council has some robust systems of internal control in place to support the lowering of risk. This report contains some recommendations for Council Consideration which, if actioned, will further support risk management and general processes.

Alison Marshall June 2022